

# **The Universal Insurance Company Limited**

## **Terms of Reference**

### ***Background***

The Universal Insurance Company Limited a part of Bibojee Group of Companies established in 1958 engaged in General Insurance business. Currently, this company is fully compliant in respect of all the statutory / legal requirements specified in the Insurance Ordinance / Rules for the operation of General Insurance business.

The company due to the losses temporarily suspended its marketing operation in year 2015 and the Board decided to concentrate underwriting captive business having a sizeable volume. Presently we have been underwriting captive business as well as other business through another company named M/s. IGI insurance company in the shape of inward facultative and inward co insurance business.

### ***Objective***

These Terms of Reference (ToRs) define the professional consulting services to be provided to The Universal Insurance Company Limited (the Company). The purpose of this document is to articulate the scope, services, and key terms of our engagement.

### ***Scope of the Assignment***

To seek professional opinion on the below stated scope of work (the assignment):

- To review critically the Financial Strategy and Revival Plan prepared by the Company.
- To extend the current Financial Strategy and Revival Plan to a forecasted period whereby the Company will achieve positive net underwriting results covering its management expenses as well.
- Review the Sales Plan prepared by the Company.

- To determine the attainability of segment-wise projected business plans.
- Assess the Plan Execution Capacity and capabilities of the existing Management Team.
- To offer comments on the intention of management to commence business in the province of Punjab & Sindh simultaneously.
- Ascertaining the sustainability of solvency margin required to be maintained all times under the law.
- To review and comment on the existing Reinsurance arrangements of the Company and factor in future arrangements within the financial projections.
- To assess the probability of enhancement of minimum capital requirement by the Regulator.
- Review maximum risk exposure retention capacity (individually and collectively) in each line of business prepared by the Company & for attaining Re-insurance arrangements mandatory under the law.
- Maximum risk retention capacity for captive business in lines with suggested Reinsurance treaties vis-à-vis Quota-cum-surplus treaties.
- SWOT analysis report.

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